



**STATE OF TENNESSEE
DEPARTMENT OF FINANCE AND ADMINISTRATION
STATE CAPITOL
NASHVILLE, TENNESSEE 37243-0285
DAVE GOETZ
COMMISSIONER**

FOR IMMEDIATE RELEASE
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May Revenues

Nashville, TN – On an accrual basis May is the tenth month in the 2003-2004 fiscal year. Department of Revenue tax collections were \$715.6 million

May revenues were \$37.7 million more than the budgeted estimates, Finance and Administration Commissioner Dave Goetz announced today. The general fund had a \$28.8 million overcollection and the four other funds overcollected by \$8.9 million

Sales tax collections were \$27.8 million more than the budgeted estimate in May. For ten months revenues are overcollected by \$144.9 million.

Franchise and excise tax collections of \$31.1 million were \$4.5 million less than the budgeted estimate for the month. Revenues are overcollected by \$62.6 million for ten months.

Gasoline taxes and motor vehicle registrations were \$6.8 million more than the budgeted estimate of \$97.3 million in May.

Year-to-date collections for ten months are \$277.2 million more than the budgeted estimates. The general fund is overcollected by \$254.3 million and the four other funds are overcollected by \$22.9 million. Sales tax estimates for the year are corrected by \$10.3 million to account for allocations to the telecommunication ad valorem tax reduction fund.

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the first session of 103rd General Assembly in May of last year.

<p align="center">REVENUE COLLECTIONS MAY, 2004, AND 10 MONTHS YEAR-TO-DATE</p>
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May Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$545,066,000	\$573,900,000	\$28,834,000
Highway Fund	59,829,000	66,822,000	6,993,000
Sinking Fund	18,443,000	18,625,000	182,000
City & County Fund	52,082,000	53,547,000	1,465,000
Earmarked Fund	2,408,000	2,680,000	272,000
Total	\$677,828,000	\$715,574,000	\$37,746,000

Year-To-Date Collections:

	Budgeted Accrual Estimate	Actual	Difference
General Fund	\$5,898,897,000	\$6,153,204,000	\$254,307,000
Highway Fund	524,046,000	529,197,000	5,151,000
Sinking Fund	184,860,000	185,932,000	1,072,000
City & County Fund	529,236,000	544,596,000	15,360,000
Earmarked Fund	25,957,000	27,296,000	1,339,000
Total	\$7,162,996,000	\$7,440,225,000	\$277,229,000

Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	May			
	2003	2004	Change	Percent
Franchise & Excise	\$46,054,000	\$31,145,000	-\$14,909,000	-32.37%
Income	3,508,000	6,022,000	2,514,000	71.66%
Inheritance & Estate	6,035,000	6,848,000	813,000	13.47%
Gasoline	53,419,000	51,131,000	-2,288,000	-4.28%
Petroleum Special	5,262,000	5,358,000	96,000	1.82%
Tobacco	10,347,000	9,321,000	-1,026,000	-9.92%
Beer	1,497,000	1,595,000	98,000	6.55%
Motor Vehicle Registration	23,543,000	33,155,000	9,612,000	40.83%
Motor Vehicle Title	898,000	911,000	13,000	1.45%
Mixed Drink	3,165,000	3,540,000	375,000	11.85%
Business	506,000	807,000	301,000	59.49%
Privilege	42,054,000	45,114,000	3,060,000	7.28%
Gross Receipts	171,000	101,000	-70,000	-40.94%
TVA - In Lieu of Tax Payments	16,408,000	16,756,000	348,000	2.12%
Alcoholic Beverage	2,915,000	2,819,000	-96,000	-3.29%
Sales and Use	451,473,000	486,328,000	34,855,000	7.72%
Motor Vehicle Fuel	14,172,000	14,460,000	288,000	2.03%
Severance	105,000	122,000	17,000	16.19%
Coin-operated Amusement	4,000	41,000	37,000	925.00%
Total	\$681,536,000	\$715,574,000	\$34,038,000	4.99%

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	August - May			
	2002-2003	2003-2004	Change	Percent
Franchise & Excise	\$849,698,000	\$924,712,000	\$75,014,000	8.83%
Income	113,788,000	138,207,000	24,419,000	21.46%
Inheritance & Estate	72,475,000	86,400,000	13,925,000	19.21%
Gasoline	493,390,000	498,964,000	5,574,000	1.13%
Petroleum Special	49,967,000	51,900,000	1,933,000	3.87%
Tobacco	93,491,000	98,298,000	4,807,000	5.14%
Beer	14,652,000	14,648,000	-4,000	-0.03%
Motor Vehicle Registration	189,783,000	200,089,000	10,306,000	5.43%
Motor Vehicle Title	8,963,000	9,278,000	315,000	3.51%
Mixed Drink	31,722,000	33,869,000	2,147,000	6.77%
Business	4,419,000	10,855,000	6,436,000	145.64%
Privilege	188,293,000	212,594,000	24,301,000	12.91%
Gross Receipts	10,862,000	10,424,000	-438,000	-4.03%
TVA - In Lieu of Tax Payments	165,824,000	168,884,000	3,060,000	1.85%
Alcoholic Beverage	28,402,000	30,241,000	1,839,000	6.47%
Sales and Use	4,498,917,000	4,810,495,000	311,578,000	6.93%
Motor Vehicle Fuel	130,107,000	139,314,000	9,207,000	7.08%
Severance	907,000	890,000	-17,000	-1.87%
Coin-operated Amusement	439,000	163,000	-276,000	-62.87%
Total	\$6,946,099,000	\$7,440,225,000	\$494,126,000	7.11%

Table 3
August - May Revenue Overcollections/(Undercollections)
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ 138,600,000	\$ 6,300,000	\$ 144,900,000
Income Tax	15,900,000	4,700,000	20,600,000
Inheritance Tax	21,700,000	0	21,700,000
Privilege Tax	23,900,000	1,400,000	25,300,000
Business Tax	(4,700,000)	0	(4,700,000)
TVA	(1,000,000)	(700,000)	(1,700,000)
Gross Receipts	(3,300,000)	0	(3,300,000)
Gasoline & Motor Vehicle Registration	100,000	10,700,000	10,800,000
Other Taxes	500,000	500,000	1,000,000
	\$ 191,700,000	\$ 22,900,000	\$ 214,600,000
F & E Taxes	62,600,000	0	62,600,000
	\$ 254,300,000	\$ 22,900,000	\$ 277,200,000